

F A C S I M I L E

TO: MAD

FAX:00151 303 592 4586

FROM: GRB

DATE: 2 MARCH 1989

SUBJECT: BARITE HILL - YOUNG TRACT

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I see McNair have copied you with the recent correspondence concerning the Forestry land swap. I am not sure when we get Title to the Young Tract, but suggest you should contact Frank White, the timber cutter who lives at Troy, S.C., and arrange for him to set up the logging operation as soon as practically possible.

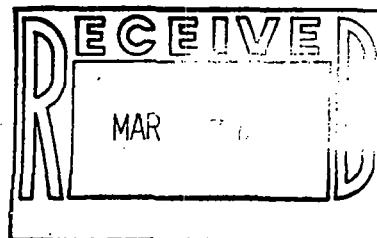
It would be preferable for White to be dealing directly with you -- please make contact with him in any event to keep him abreast of developments.

I am faxing a copy of the White contract herewith just in case it is not on your records.

  
GRB

Enc.

C136/6



SHORT FORM MASTER SERVICE AGREEMENT

SEPT. 30, 1988

Pursuant to this agreement, Frank White, ("Contractor"), whose address is Post Office Box 224 Troy, SC 29848, and ~~SONS OF~~ GWALIA (USA) LTD. ("Company"), whose address is 38-40 Parliament Place, Post Office Box 669 West Perth, Western Australia 6005, have agreed that Contractor shall perform the following specific services with regard to Cornelius Young Tract of 38.9 acres in Greenwood County, SC:

Set up a timber sale on the above described tract at the direction of Company, sell the timber to a reputable buyer (with whom he has no connection whatsoever except as that of seller and buyer), prepare a timber sale contract or see that a suitable contract or timber deed is prepared at no expense to Company, and check timber cutting as it progresses to see that provisions of the timber contract are being followed. Contractor shall perform these services in a professional and workmanlike manner, and Company shall not have any direction or control over the work; provided, however, that no work shall be considered complete unless and until approved by Company.

For the services rendered by Contractor, Company shall pay Contractor a commission of 8% of the selling price of the above described timber.

The term of this agreement shall commence on \_\_\_\_\_ and shall continue thereafter until terminated by either party by giving the other twenty-four (24) hours' notice, or upon completion of the services performed by Contractor.

It is understood and agreed that Contractor is to perform its services as an independent contractor and as such (i) shall have full responsibility for making any and all necessary income tax, sales tax and social security payments and for filing all returns and forms required in connection therewith; (ii) shall assume full responsibility for injuries occurring to the Contractor and Contractor's employees, if any, and or protecting Contractor and Contractor's employees by means of Workmen's Compensation Insurance, or otherwise as required by law; (iii) agrees to indemnify and hold Company and its officers, directors, shareholders, and employees harmless from any and all claims for damage to property or persons (including death) which may result from Contractor's

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Short Form Master Service Agreement  
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performance hereunder; and (iv) shall carry such liability insurance, and in such amounts as Company may reasonably require and provide certificates of insurance to Company upon request by Company.

Information generated for Company by Contractor, or transmitted to you by Company will be treated as confidential and will be considered proprietary as to Company. Contractor will refrain from transmitting or in any way disclosing such information to third parties without the express written consent of Company.

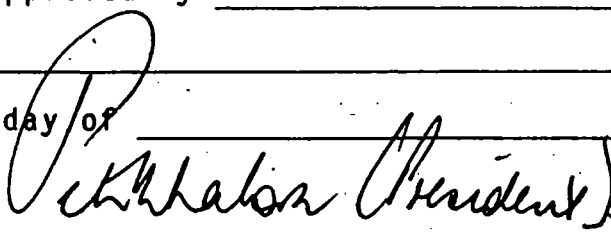
"All payments in favor of the Company arising under this Agreement are to be made payable to the Company care of their Attorneys, Hogan and Hartson of Columbia Square, 555 Thirteenth Street NW, Washington DC. All amounts due and payable to the Contractor will be paid separately within 14 days of receipt of an approved account for payment for services rendered."

Agreed and accepted this 30th day of SEPT., 1988

  
Frank W. White, Forest Consultant  
South Carolina Registered Forester 462

Accepted and approved by \_\_\_\_\_

on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

  
Gwalia Resources (International), Ltd.  
USA

STATE OF SOUTH CAROLINA )  
COUNTY OF McCORMICK ) ss. PROBATE

PERSONALLY APPEARED before me FRANK WHITE  
who signed the foregoing written instrument for the uses and pur-  
poses therein mentioned.

Kenneth Martin

Sworn to before me this  
30<sup>th</sup> day of SEPTEMBER, 19 88

Jane F. Webster  
Notary Public for South Carolina

My Commission Expires:  
My Commission Expires December 6, 1993

STATE OF  
WESTERN AUSTRALIA ) ss. PROBATE

PERSONALLY APPEARED before me CHRISTOPHER JOHN LALOR,  
who signed the foregoing written instrument for the uses and pur-  
poses therein mentioned.

Sworn to before me this 25<sup>th</sup>  
day of October, 19 88

Bel Pittman  
~~Notary Public for~~  
Commissioner for Affidavits for the State of Western Australia  
~~My Commission Expires~~

A Commissioner of the Supreme  
Court of Western Australia  
for taking Affidavits